

# Potential Recommendations for Redraft of RCW 70.38 and WAC 246-310

## Related to Certificate Of Need Program Purpose and Goals

(black: current statute language, green: task complete, red: action due)

RCW and WAC	Potential Revision and Areas with Questions
<p><b><u>Current:</u></b></p> <p><b>RCW 70.38.015</b>  <b>Declaration of public policy.</b></p> <p>It is declared to be the public policy of this state:</p>	<p><b><u>Potential Revision:</u></b></p> <p><b>RCW 70.38.015</b>  <b>Declaration of public policy.</b></p> <p>It is declared to be the public policy of this state:</p>
<p>(1) That health planning to promote, maintain, and assure the health of all citizens in the state, to provide accessible health services, health manpower, health facilities, and other resources while controlling excessive increases in costs, and to recognize prevention as a high priority in health programs, is essential to the health, safety, and welfare of the people of the state. Health planning should be responsive to changing health and social needs and conditions. Involvement in health planning from both consumers and providers throughout the state should be encouraged;</p>	<p>(1) That a strategic health planning process, responsive to changing health and social needs and conditions, <b>and undertaken biannually by a cabinet-level dynamic visionary state agency:</b></p> <ul style="list-style-type: none"> <li>a) to promote, maintain, and assure the health of all citizens in the state;</li> <li>b) to provide accessible health services, health manpower, health facilities, and other resources;</li> <li>c) to control excessive increases in costs;</li> <li>d) to apply specific quality criteria and population health indicators;</li> <li>e) to recognize prevention as a high priority in health programs,</li> <li><b>f) to address periodic priority issues including disaster planning, public health threats, public safety dilemmas and others; and</b></li> <li><b>g) to coordinate efforts with other state agencies including facility and professional provider licensure, state and federal reimbursement, health service utilization data systems and others;</b></li> </ul> <p>is essential to the health, safety, and welfare of the people of the state.</p> <p>Both consumers and providers throughout the state should be involved in this health planning process. <b>The outcomes of this health planning process should be clearly articulated and available for public review and utilization.</b></p>
<p>(2) That the development of health services and resources, including the construction, modernization, and conversion of health facilities, should be accomplished in a planned, orderly fashion, consistent with identified priorities and without unnecessary duplication or fragmentation;</p>	<p>(2) <b>That the certificate of need program is a component of a health planning regulatory process which:</b></p> <ul style="list-style-type: none"> <li><b>a) Contributes to state health plan and public policy goals that are:</b> <ul style="list-style-type: none"> <li>i) clearly articulated, and</li> <li>ii) regularly updated;</li> </ul> </li> <li><b>b) Balances considerations of:</b> <ul style="list-style-type: none"> <li>i) Access to quality care at a reasonable cost for all residents,</li> <li>ii) The optimal use of existing healthcare resources,</li> <li>iii) The fostering of cost containment through the use of specified health care facilities and services which demonstrate the implementation of</li> </ul> </li> </ul>

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	<p>care at the most appropriate level and in a cost effective manner, and</p> <p>iv) Unnecessary duplication of health care facilities and services;</p> <p>c) Supports improved health care outcomes by:</p> <p>i) utilizing industry data and criteria in its evaluation process, and</p> <p>ii) ongoing monitoring, evaluation and compliance;</p> <p>d) Accountable for maintaining the resources necessary for quality, timely, and consistent decisions; and</p> <p>e) Evaluates the impact of capacity management on health services cost, access, quality and innovation.</p>
(3) That the development and maintenance of adequate health care information, statistics and projections of need for health facilities and services is essential to effective health planning and resources development;	(3) That the development and ongoing maintenance of adequate health care information, statistics and projections of need for health facilities and services is essential to effective health planning and resources development. At a minimum, the data system should support the review and monitoring of the specified health care facilities and services impacted by the certificate of need program.
(4) That the development of nonregulatory approaches to health are cost containment should be considered, including the strengthening of price competition; and	(4) That the development of non-regulatory approaches to health care cost containment should be considered with either a more robust regulatory system, or provisions for more power to health care payors;
(5) That health planning should be concerned with public health and health care financing, access, and quality, recognizing their close interrelationship and emphasizing cost control of health services, including cost-effectiveness and cost-benefit analysis.	(5) That strategic health planning should be concerned with the stability of public health and health care financing, access, and quality, including the availability of services from stable, high-quality providers for all residents. Planning's sentinel role of recognizing the close interrelationship of these concerns and emphasizing cost control of health services, including cost-effectiveness and cost-benefit analysis, should be promoted. Criteria for evidence-based medicine and these other factors must be integral to the process.
<p>QuickTime™ and a  <small>TIFF (Uncompressed) image processor  are required to see this picture.</small></p>	<p><u>Notes:</u></p>

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<p><b><u>Current:</u></b></p> <p><b>WAC 246-310-001</b>  <b>Purpose of certificate of need program.</b></p>	<p><b><u>Potential Revision:</u></b></p> <p><b>Public policy statement of intent to begin CON report</b></p>
<p>The purpose of the certificate of need program has been established by the legislature in RCW <u>70.38.015</u>.</p>	<p><u>Preamble</u>  Given that:</p> <ul style="list-style-type: none"> <li>• Health care costs are rising at rates substantially above the annual national rate of inflation;</li> <li>• Market forces alone in the health care delivery system can't control health care costs;</li> <li>• The current structure of the health care financing and delivery system distances the financial burden from the recipients <b>and resists their ability to make a choice</b>;</li> <li>• Increasing numbers of citizens are unable to pay for necessary health care, being uninsured, underinsured or not eligible for publicly funded programs such as Medicaid and Medicare;</li> <li>• Published research supports the existence of a relationship between quality of health care outcomes and volume for the practitioner and providers of selected services;</li> <li>• Geography, traffic, and population concentrations create barriers to access;</li> <li>• <b>Public health issues, disaster preparedness and other emergent health priorities divert time and resources from regular activities; and</b></li> <li>• <b>Addition and expansion of health services often destabilize existing health services in the community.</b></li> </ul>
<p><u>Audience Comments/ Unresolved Questions:</u></p> <ul style="list-style-type: none"> <li>• Include more around 'health care workforce'</li> <li>• Change requires update in WAC</li> <li>• Preamble: public policy/statement of observation/intent statement – relocate, remove out of WAC – make this a suggestion in report as intent statement ?</li> <li>• Should there be consideration of limiting licensing of beds that are unused? What would that timeframe be? Impact entire system?</li> </ul>	<p>The certificate of need program, as a regulatory component of the state health planning process, has been established by the legislature in RCW 70.38.015.</p>